



Protection to American Industry.

S P E E C H

OF

HON. BENJAMIN F. JUNKIN, OF PENN.

Delivered in the House of Representatives, February 29, 1860.

The House being in Committee of the Whole on the state of the Union,

Mr. JUNKIN said :

I will proceed without delay to the discussion of what was my chief purpose in obtaining the floor, to wit : the protection of American industry, by a fair and reasonably protective tariff.

And permit me here to remark, that, with a country stretching from the Atlantic to the Pacific ocean, and from the snows of Canada to the mild skies of the Rio Grande, embracing every variety of climate, unparalleled in the fertility of its soil, the beauty and grandeur of its scenery unsurpassed, with water powers exceeding in efficiency and capacity the residue of the world combined ; with the mineral ores and the black diamonds underlying nearly every foot of our broad land ; with an intelligent, industrious, and enterprising population ; yet, with all these decided, and elsewhere uncombined advantages, we have our workshops in Europe, our spinning-jennies in Manchester, our iron furnaces in Wales, our knife factories in Sheffield, our foundries in Scotland, and our silk looms in France. Yes, sir, with all these bountiful gifts of God showered

upon us, we blindly, and with a fatuity unparalleled, turn from these treasures in our midst, and import annually more than three hundred and fifty millions of foreign products, instead of saving two hundred millions of dollars of that sum by encouraging our own domestic industry. Why, sir, was ever such a spectacle presented to the world, of a nation spurning wealth and industry from its own doors, and eagerly steaming the ocean, in hot haste, to pour its gold and silver into the coffers of European Powers ? Was there ever seen policy more suicidal ?

Yes, sir, under a pretended and spurious tariff, which amounts to a tax, without even incidental or accidental protection, we have substantially free trade, and nothing else. You are, by your present system, taxing the people without any corresponding benefit. It is high time this prostrating and ruinous policy were abandoned. Look around, and what do we behold ? Industry crippled in every direction ; the artisan folding his hands in despair, pinching poverty, with its shrivelled form, stealing into his habitation—"that home where he loves to dwell"—and as he gazes on

those dear dependents who lean upon him for support, he feels that the heavy hand of his Government is against him, that his cry of distress reaches not the dull ear of power. The night no longer reveals the cheerful fire of the coal-pit on the mountain side; it has been extinguished by the free-trade policy of this Government. Everywhere men are sighing for the good old days, not "of Adam and of Eve," but of the tariff of 1842. "Polk, Dallas, and the tariff of 1842," we Democrats of Pennsylvania inscribed upon our banners in 1844; but when the election was over, the victory won, and the people gulled, it was still Polk and Dallas, but "nary" a word about the tariff of 1842. "The child's name was Anthony."

Now, let us look into this question. What are we doing? Why, sir, with every ton of iron, every yard of broadcloth, every web of calico, every dozen knives, every foot of Scotch pipe, we import from foreign countries, we buy with it not only the value of raw material, and the skill and labor bestowed upon it, but the bread and beef, potatoes, cabbage, and beans, required by the workmen employed in their production. Who can deny this? And yet we hear high-sounding talk, that we are agricultural, and can only find a market for our cereal and farming products by trading with the world, when, in point of fact, we not only pay for the labor employed in the manufacture of the article, but also for what the labor consumes when so employed. Now, then, if that article, be it what it may, had been manufactured at home, the person so employed in its production would not only been withdrawn from producing the articles required to feed and sustain him while so engaged, but he would actually have been consuming the beef, cabbage, wheat, potatoes, and pork, which his neighbor, the farmer, had been engaged during this very time in producing. Thus, then, not only the money expended in the purchase of the article so produced would have remained in the country, for circulation and use, but that neighbor and farmer engaged in producing those

articles of necessity so consumed would also have found a market for those very articles; whereas, by its manufacture abroad, all these advantages are foregone. First, the money required to pay for it is taken out of the country; and in the second place the market for all these agricultural products so consumed is lost; and, to make it still worse, he who would otherwise have been employed in manufacturing said article, is engaged (for the want of proper encouragement) in producing beef, pork, wheat, beans, and cabbage; and thus, instead of a consumer, becomes a competitor. Now, this example will stand for every kind of manufacturing which can be done in this country, and which is now done abroad.

I desire to press this point upon the House and upon the country, namely, that the great policy of every Government, and the interest of the farmer, is to bring the producer and the consumer as near together as it is practicable or possible to do. It is the expense of transportation, whether it be a manufactured article or an agricultural product, that creates the difference of price at different points of a country. For instance, a bushel of corn in Kentucky is worth forty cents; but if it is carried to the city of New York it is worth eighty cents. How comes this difference of one-half? Simply because the cost of transportation is just forty cents. But if you had a consumer for that bushel of corn on the spot in Kentucky, where it was raised, its intrinsic value would be, and is, just as great in Kentucky as in New York; but the want of that consumer creates the necessity for transportation, and hence the cost of transportation is the difference in its value at these two points. Now, if there lived alongside of the producer of this bushel of corn in Kentucky, a weaver of broadcloth who would consume it, then it would command eighty cents at home. And so with reference to any other article of agricultural product. And yet, ridiculous as it may seem, we are gravely told, that the oftener and further the agricultural and manufactured articles

are carried and transported, the cheaper both become; and I suppose, on this theory, if both were carried once or twice around the globe, the consumer would, in the end, get them for nothing. It is very manifest that this process of cheapening by transportation is absurd.

Now, what, in reality, are the products that a farmer remote from large cities has for sale which will bear transportation, exclusive of cotton? Why, simply, his wheat, rye, corn, beef, pork, and occasionally a few bushels of clover seed. His potatoes, beets, cabbage, apples, turnips, &c., all that class of gross products, will not bear transportation, commission, and expense of getting them into market; and it really costs him from fifteen to twenty-five per cent. to get even his more valuable products, such as wheat, rye, &c., there. But build up manufacturing establishments, foster that branch of industry, and towns, villages, and cities, would spring up in every portion of the country, at which a market would be furnished not only for such products, less gross, and which he usually sells, and that too without the cost of transportation, but he would find ready sale for all those gross articles which, although more cheaply raised, are now only produced for his own consumption, and from which he receives no revenue whatever. Not only would the farmer find a ready sale for all these products, but the building up of such manufacturing establishments would withdraw a large portion of the community who are now producers, and convert them into consumers. At present, what occupation is open to industrious men, except the cultivation of the soil, thereby increasing competition, while, from the depressed condition of our manufacturing interests, the consumers are diminished? Now, every practical man knows full well that men owning mere truck-gardens near populous cities make fortunes off ten-acre lots, although they never sow a grain of wheat or raise a stock of corn, while others remote from such cities are broken up on four-hundred-acre farms. How comes this? Simply because the one

finds a market for all he can raise of every description, while the other is swamped in the transportation of his less bulky and more valuable products.

But it may be said that, while the Eastern States would gain by the protective system, the West would lose. Well, sir, let us see about that. Your nine million of the great West are clearly entitled to be consulted in the determination of this question. We desire nothing that will injure or cripple your energies. You are a power in this Confederacy, and must not be ignored. What, you ask, have you to gain by this system? In fact, you are pork—essentially pork, wheat, beef, corn, and “corn juice,” from the western line of Pennsylvania back to the very verge of civilization. Let us see. You want consumers. You have a highly-favored soil; no guano, lime, manure, or other stimulant, is wanted, away out beneath the setting sun. If troubled at all, it is to keep down the rank exuberance of your prairies; where I hear you need no clocks; you can keep time by the pumpkin vines, they grow just two feet per hour; and where I once heard of a man who undertook to try the effects of guano on that soil. He planted some cucumber seeds in that stimulant, when forthwith he saw the dirt flying, and although he used his best endeavors to escape from the patch, still the vines overtook him, and to his surprise and consternation, when he got over the fence, he found a cucumber gone to seed in his pocket! Now, sir, what does such a country as that want, except a market? That is all. It can supply all the world and “the rest of mankind.” But where find the consumers? I will tell you. Give us protection. Let us withdraw our dense population in the New England and Middle States from cultivating much of their soil that is barren and sterile; withdraw that portion which is now competing with you in the productions peculiar to your region, or at least produce what they consume. Let us withdraw these from producing, and allow them, under reasonable protection, to

delve into "caverns dire" in pursuit of our iron ore and our coal, and let our furnaces, forges, nail factories, and bloomeries, be once more red with the refining fires. Let the hum of our spindles and the stroke of the hammer be again heard. Let the collier again sing merrily at his task, while his shadow appears once more on the background of his pit. Let the woodman's axe once more resound,

"And for him the earth will forget to mourn,
And leap at a blast of his mountain horn."

Let all this be once again restored, and, my word for it, we will tax your industry and your fruitful land to their utmost capacity to supply our wants and meet our demands. And what will we give you in return? Why, say the free-traders, manufactured articles—the luxuries and necessities of life, at increased prices. This, sir, I most emphatically and earnestly deny. Give us the market, the field of consumption, and our increased production will enable us to manufacture cheaper, and to furnish all these things at reduced instead of increased rates. It is the absence of a market that now cripples the manufacturer. He now labors under a double disadvantage, namely, he has first to contend against the pauper labor of Europe; and secondly, the market is taken from him, or his sales limited by the influx of the foreign article. But, drive the foreign article out of the market by imposing such duty thereon as will render it impossible for the foreign manufacturer to pay that duty, and you drive it from the field, leaving that market to be supplied by the home product, not at an increased price, but the difference being simply that the home instead of the foreign article is sold and consumed. In other words, by reason of his increased sales, the home manufacturer is enabled, at a less profit, to supply the demand, and yet secure a fair remuneration for the capital invested. For example, suppose a manufacturer of carriages should, by reason either of a want of demand or from competition, only succeed in selling ten wagons per annum. Now, it is manifest that, in order to live, he must

secure his profits out of these ten sales, by disposing of them at such rates as will produce that result; whereas, if he could increase his sales to one hundred wagons, he could reduce his profits nine-tenths, and thereby furnish the same article at a greatly reduced rate. Now, give the manufacturer the market, so as to increase his business nine-tenths, and it is clear that he will be remunerated at greatly less rates. This is all that the American manufacturer asks or needs—the market; and you may safely trust to his skill and genius for the cheapness of the price. Besides, home competition will regulate all that. Now, sir, I submit that the consumer pays none the less because the article purchased is of foreign fabric.

Let me illustrate this. Suppose an importer buys a ton of iron in Liverpool at thirty-five dollars per ton, and the cost of transportation is five dollars, the duty five dollars, and the selling price here fifty dollars. Now, the importer is not going to sell that ton of iron under the market price; he will ask and get fifty dollars for it. Does the consumer get it at any less price because it is imported iron? Certainly not. He has paid just as much (fifty dollars) as though he had purchased the home-manufactured article. Who, then, pocketed the difference between the original cost, transportation, duty, and selling price? Not the consumer, for he paid market price, fifty dollars. It is manifest the importer secured the difference to himself, and was the only man benefited by the transaction. By this process, the consumer was in no wise benefited; while the home manufacturer was broken down, and the laborer robbed of his daily bread.

One word more in regard to the West. Was that garden of the world ever before so crippled and prostrated in a pecuniary point of view? Indeed, when before, except during extraordinary financial embarrassments, was the whole country, both agricultural, manufacturing, and commercial, so hampered and depressed? And yet, under the bounty of Providence, the last year has wit-

nessed such a gathering of the jeweled grain as this continent never saw before; the "reaper hath" indeed "filled his hand, and the binder his bosom." Yet, what does it avail? There are no consumers, no purchasers. Our money has gone to foreign countries to pay the balance of trade, forty or fifty millions of dollars, against us. Yet we are receiving the large revenue of \$50,000,000 annually from California, that Eldorado of the Pacific slope,

"Whose streams are amber, and whose sands are gold."

There is but one solution of the whole matter; we are over-trading, and pouring our golden treasure into the coffers of the Old World. Sir, I shall enter into no figures, submit no tabular statements, no exaggerated estimates of imports and exports. I prefer the light of experience and observation, to theory and speculation. Like the blind man restored to sight in the New Testament, who, unable to comprehend the rationale of his deliverance, nevertheless persisted in urging one fact, without comment or explanation, that, whereas he had been blind, he now saw. We do know, and that is sufficient, that under the tariff of 1842 we lived prosperously and happily; every man, from the millionaire to the humble laborer, rejoiced in the prosperity of the country, whereas now the cry of distress, of closed manufactories, broken merchants, unemployed laborers is so general as to arrest the attention and consideration of the most indifferent.

Having thus endeavored to reconcile the young giant of the West to the protective system, it is my duty, as well as my pleasure, to appeal to our equally powerful brethren of the South. And let me here surmise that the same arguments, already urged in behalf of the interests of the West, apply with equal force to the States of Kentucky and Tennessee, and even to Virginia and Missouri. The States of Maryland and Delaware need no incentive to join Pennsylvania in this great measure; for, in our past lives, we have not been sepa-

rated, and there is no death that can divide us.

But the cotton States are the only ones likely to listen to this appeal with doubting faith, and to them, therefore, will I now address myself.

Your great staple is cotton, not inaptly termed "King Cotton." Truly, yours is a great product, and your enormous exportation of that article, amounting to near two hundred million dollars annually, entitles your position and interests to a careful consideration. The price of your product, like every other, depends upon the supply and demand. Now, all you desire is a market capable of exhausting your supply at such prices as render its culture profitable and remunerative; when you obtain these, you are content. It matters not to you where that market is found, whether here or in a foreign land.

Now, you fear, in this question of a tariff, two consequences:

First, that, under this system, the prices of all these manufactured articles will be increased, and, as you consume largely, you will be thereby injured.

Secondly, that from inability of the foreign purchaser, through loss of his market on this continent, there will be necessarily a reduction in the price of your staple.

The first of these objections I consider already answered; the second deserves serious attention.

In the first place, I presume it will not be disputed that, under the protective system, the consumption of cotton fabrics in the United States will not be diminished, but, on the other hand, there can be no doubt that their consumption would be increased from fifty to one hundred per cent. if that system were this day adopted; because all classes, and especially the poorer and laboring classes, who are the chief consumers, would, by reason of the impetus given to business, the increased demand for labor, the investment of now unemployed capital in the erection and equipment of these establishments, be more able to buy and pay for these fabrics; and we all know that the inducements to expend

and enjoy depend wholly on the ability of the consumer to gratify his wants or inclinations. Thus, then, the demand would be nearly, if not wholly, doubled. This would be a great point gained to the planter. It would stimulate him to increased production. He would feel that the consumption of his product was going on in his very midst, so that he would neither doubt the demand for his staple nor the ability to pay for the same.

But there would be, doubtless, a slight diminution in the foreign demand; still, it must always remain large, and in no event do they take more than what is absolutely necessary for their purposes. England would still manufacture for the rest of the world, and her chief, if not only, supply is from your section. It is true that an effort is now making by the English Government, although purporting to be a private enterprise, to open up the great central basin of Africa to the culture of cotton; and any dispassionate man who reads Dr. Livingstone's explorations in that region cannot close his eyes to the fact that there exists a district of country on that continent peculiarly adapted to the culture of cotton, unparalleled in its fertility, beneath the very equator itself, free from all danger of frost, and in extent exceeding the entire territory of all the States of this Union. And, besides, there is the negro race, ready and willing to engage in its production. They are the same materials with which you work here; less cultivated, to be sure, yet the Doctor reports them very apt and clever in catching up the skill and power of civilization. I have no doubt the English will succeed, and that you are about encountering, in your branch of agriculture, a foeman worthy of your steel. If they fail in this African enterprise, so much the better for you; and if they succeed, then where will your market be, unless here in our own great and glorious Union? Then you will duly appreciate the force of the argument I have adduced. So that, in any event, you are bound to win. If Africa produces cotton, you have still a home mar-

ket capable, under proper protection, of exhausting your supply; and if Africa fails in this cotton movement, you are doubly safe, because you will then have two markets instead of one—the home and the foreign.

Besides, your system of free trade, such as now obtains in this Government, necessarily drives the artisan from the shops and factories of New England and other free States, and they are then compelled to seek homes and habitations beneath the setting sun, where they build up those worse than Babylonish abominations in your sight—to wit: the free States of the West—thus destroying the very balance of power which you have so long struggled to preserve. And yet you stand here, day after day and year after year, bemoaning your hard fate, your lost influence and power in the Republic, little dreaming—or blindly ignoring the fact—that it is your stubborn and inflexible adherence to the free-trade policy that has brought these supposed calamities upon you. Yes, sir, while you were engaged in an unenviable crusade against the workshops of New England, and chuckling over the supposed stab thrust into the heart of her industry, you were only uttering deep curses, which, like chickens, have come home to roost. You drove the free artisan from his shop, and he in return vanquished you on the plains of Kansas. Such unquestionably are the fruits and tendencies of free trade.

The question then arises, what sort of duties should be imposed, specific or *ad valorem*? On this question, I concur entirely with the President. He is unmistakably correct. Specific duties are the only imposts, so far as it is practicable to enforce them, which afford protection to the manufacturer; because *ad valorem* duties afford least when most needed.

To illustrate the different operation of these two systems, I will take the article of pig metal as an example. On this article, under the tariff of 1842, there was imposed a duty of \$9 per ton, which was specific, because it was a fixed sum, without regard to the price or original

cost in the foreign port. Under the tariff of 1846, the duty was changed to thirty per cent. *ad valorem*. Consequently, when that article was worth \$30 per ton at Liverpool, the duty would be \$9; but let the price go down to \$15 per ton, and the duty then is but \$4.50, and still less as the price came down to \$10; so that at the very time the home manufacturer most needed protection, (during low prices,) he got the least. The same argument holds with regard to bar iron, and many other articles. We should not forget that the whole cost of the millions of dollars worth of pig metal, bar iron, &c., manufactured in this country, is made up of the consumption of the produce of the farmer, and by manual labor, and not another item enters into the account. If that be the case, any protection afforded the manufacturer amounts, at the same time, to incidental protection to the farming, mechanical, and laboring interests of the country. This is the only possible way in which the Government can assist and protect their interests.

We must not forget that capital needs no protection; but inducements are

wanted to render that capital active, and protection alone can give it employment, and, necessarily, circulation. If you fail to do that, it leaves you, or remains inactive.

In imposing these duties, they should be reasonable and just, discriminating in favor of such articles as can be most cheaply and readily produced at home. Let this system be fairly and permanently inaugurated, with due regard to the interest of every section of this Union, and there will follow such blessings and prosperity all over the land as no eye ever witnessed, or imagination conceived. Think of the mighty million of busy souls, bending in joyous contentment over the active labors of the day—of the light of hope that will loom up the pale face of the now disheartened and desponding mechanic—so that, when the sun's broad disc wheels up, day by day, over the eastern waters, to bless and beautify our incomparable land, his coming may be greeted by exultant hearts, cheerfully obeying his call to earnest but remunerative toil. Then, indeed, may it be truly said of us, "He hath not dealt so with any nation."

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